

Dear State CSBG Administrators,

**Jobs & UI Benefits:** Before the spring recess, Republicans blocked HR 4851 - a bill that included a one-month extension of long-term unemployment benefits, continued authority for COBRA health insurance subsidies for laid-off workers, and language to prevent a scheduled 21% cut in Medicare reimbursement rates to physicians - because the \$9.2 billion cost of the bill was not offset. As a consequence, those authorities expired during the recess. This week Senate Democrats are hoping to gain the support of at least one Republican in an effort to move the bill forward. However, Republicans have signaled that they intend to take a tough line regarding the need for spending offsets, which means any future short-term safety-net extensions and other Democratic initiatives this year will face continued procedural hurdles in the Senate.

For example, the Senate in early April passed a bill (HR 4213) which would extend long-term unemployment insurance authority and COBRA health insurance aid through the end of December, as well as postpone until the end of September the scheduled Medicare physician payment cuts. But that bill is still pending in the House as leaders decide seek to identify acceptable offsets and determine whether or not to hold a formal House-Senate conference on the measure.

Also awaiting action in the Senate is a \$19.3 billion House-passed measure (HR 4849) to provide tax incentives to small businesses and finance the construction of new public infrastructure. It also would extend for a year the Temporary Assistance for Needy Families emergency contingency fund and provide it with additional funding.

**Budget and Appropriations:** This week both the House and Senate will resume discussions on developing a FY 2011 congressional budget resolution. As such, House and Senate leaders will be consulting with their members to see whether assembling a budget this year is desirable, or even feasible. Already, Republicans and some moderate Democrats are pushing for greater restraints on discretionary spending.

*(Source: Congressional Quarterly)*

We will keep you informed as things progress.